

## Calendar No. 239

105TH CONGRESS }  
1st Session }

SENATE

{ REPORT  
105-125

### STEFFENS FAMILY ESTATE

OCTOBER 30, 1997.—Ordered to be printed

Mr. MURKOWSKI, from the Committee on Energy and Natural  
Resources, submitted the following

### REPORT

together with

### ADDITIONAL VIEWS

[To accompany S. 799]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 799) to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

#### SECTION 1. TRANSFER OF STEFFENS FAMILY PROPERTY.

(a) CONVEYANCE.—Subject to valid existing rights, the Secretary of the Interior is directed to issue, without consideration, a quitclaim deed to Marie Wambeke of Big Horn County, Wyoming, the personal representative of the estate of Fred Steffens, to the land described in subsection (b): *Provided*, That all minerals underlying such land are hereby reserved to the United States.

(b) LAND DESCRIPTION.—The land referred to in subsection (a) is the approximately 80-acre parcel known as “Farm Unit C” in the E½NW¼ of Section 27 in Township 57 North, Range 97 West, 6th Principal Meridian, Wyoming.

(c) REVOCATION OF WITHDRAWAL.—The Bureau of Reclamation withdrawal for the Shoshone Reclamation Project under Secretarial Order dated October 21, 1913 is hereby revoked with respect to the lands described in subsection (b).

## PURPOSE

The purpose of S. 799 is to direct the Secretary of the Interior to transfer to the estate of Mr. Fred Steffens certain lands in Big Horn County, Wyoming.

## BACKGROUND AND NEED

The 80-acre parcel of land affected by this legislation was purchased by Fred Steffens in 1928 from Mr. Frank McKenny. However, McKenny did not have either title to the property or an assignable right of entry. Research into the history of the property indicated that in 1913 the lands in question had been withdrawn by the Bureau of Reclamation for the Shoshone Reclamation Project. While this withdrawal did not preclude homesteading, it did make entry subject to regulation under the Reclamation Act. According to records, a homestead entry for the property was legally filed in 1918. This entry, however, was canceled by the Bureau of Reclamation in 1926 for McKinny's failure to comply with all the homesteading requirements contained within the Act. Notwithstanding the cancellation, Mr. Steffens received a warranty deed with release of Homestead from McKinny and proceeded to use the property as a family farm until his death in 1995. According to the Big Horn County Assessor's office, the family has paid taxes on the land since the date of purchase in 1928.

Upon Mr. Steffens' death, and the attempt to settle his estate, it was discovered that a legal patent had never been issued for these lands. In an attempt to remedy this situation, Ms. Marie Wambeke, Mr. Steffens sister and representative of the estate, filed a Color of Title Claim with the Bureau of Land Management's Wyoming State Office. This application was rejected, however, because the lands at issue were, and continue to be, withdrawn by the Bureau of Reclamation for the Shoshone Reclamation Project. Regulations specifically preclude claims under the Color of Title Act when the lands are withdrawn for Federal purposes.

The Bureau of Land Management in coordination with the Bureau of Reclamation have both agreed that the only options to clear up the issue are either legislation or revocation of the withdrawal and sale of the property at current market value. The Bureau of Reclamation has indicated that it was willing to relinquish the withdrawal of the lands in question and would not object to the transfer of title to the Steffens estate. The Bureau of Land Management testified that as long as the mineral estate was retained, they support transfer of the surface estate to the family.

## LEGISLATIVE HISTORY

S. 799 was introduced by Senators Craig Thomas and Mike Enzi on May 23, 1997. On September 25, 1997 the Subcommittee of Forests and Public Land Management held a hearing on the legislation.

## COMMITTEE RECOMMENDATION AND TABULATION OF VOTES

The Senate Committee on Energy and Natural Resources, in open business session on October 22, 1997, by voice vote of a quorum present, recommends that the Senate pass S. 799, if amended as described herein.

## COMMITTEE AMENDMENT

During the consideration of S. 799, the Committee adopted an amendment in the nature of a substitute. The amendment makes clarifying changes and adds language reserving all minerals underlying the land to the United States.

## SUMMARY OF S. 799

Section 1(a) directs the Secretary of the Interior to issue a quitclaim deed to the personal representative of the Fred Steffens estate for the land described in Subsection (b) with a provision that the minerals underlying the land are reserved to the United States.

Subsection (b) describes the land to be transferred.

Subsection (c) revokes the Bureau of Reclamation withdrawal on the lands described in Subsection (b).

## COST AND BUDGETARY CONSIDERATIONS

The following estimate of the cost of this measure has been provided by the Congressional Budget Office:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, October 23, 1997.

Hon. FRANK H. MURKOWSKI,  
*Chairman, Committee on Energy, and Natural Resources,*  
*U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 799, a bill to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Victoria V. Heid.

Sincerely,

JUNE E. O'NEILL, *Director.*

Enclosure.

*S. 799—A bill to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property*

S. 799 would direct the Secretary of the Interior, acting through the Bureau of Land Management, to transfer without consideration about 80 acres of land in Big Horn County, Wyoming, to the representative of the estate of Mr. Fred Steffens. The federal government would retain the mineral interests in the land.

CBO estimates that enacting this bill would have no significant impact on the federal budget. Because S. 799 would not affect direct spending or receipts, pay-as-you-go procedures would not apply. S. 799 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would have no significant impact on the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Victoria V. Heid. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.

#### REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 799. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would no impact on personal privacy.

Little, if any, additional paperwork would result from enactment of S. 799, as ordered reported.

#### EXECUTIVE COMMUNICATIONS

The legislative report received by the Committee from the Department of the Interior setting forth Executive agency recommendations relating to S. 799 is set forth below:

U.S. DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
*Washington, DC, October 21, 1997.*

Hon. FRANK MURKOWSKI,  
*Chairman, Senate Committee on Energy and Natural Resources,*  
*Washington, DC.*

DEAR MR. CHAIRMAN: Thank you for the opportunity to present the views of the Department of the Interior (Interior) on S. 799, a bill to transfer eighty acres of public land in Big Horn County, Wyoming to the estate of Mr. Fred Steffens. Interior testified on this bill before the Subcommittee on Forests and Public Lands Management on September 25, 1997.

Interior supports the transfer of eighty acres of public land to the estate of Mr. Fred Steffens. This property has been continuously used as a family farm by the Steffens' family since Mr. Steffens purchased the land in 1928. Mr. Steffens was issued a warranty deed to the property by Mr. Frank McKinney, predecessor in interest. Unfortunately, Mr. McKinney knowingly had neither title to the property nor an assignable right of entry. However, the fact that Mr. McKinney did not own the land did not stop him from selling the property or issuing the warranty deed. In good faith, Mr. Steffens purchased the property and, according to the Big Horn County Assessor's office, paid taxes since the date of purchase in 1928.

Upon Mr. Steffens' death, and in the attempt to settle his estate, it was discovered that a patent had never been issued for these lands. In an attempt to remedy this situation, Ms. Marie Wambeke, Mr. Steffens' sister and representative of the estate, filed a Color of Title application with the Bureau of Land Management's (BLM) Wyoming State Office. This application was rejected, however, because the lands at issue were, and continue to be, withdrawn by the Bureau of Reclamation (BOR) for the Shoshone Reclamation

Project. Regulations specifically preclude claims under the Color of Title Act when lands are withdrawn for Federal purposes.

Our BLM field office has coordinated with the BOR and both agencies agree the only options to clear up this issue are either Congressional action or revocation of the withdrawal and sale of the property at current market value. The BOR is willing to relinquish the withdrawal of these lands and does not object to the transfer of title to the Steffens' estate. The record shows the Steffens family occupied this land in good faith.

The BLM supports the transfer of the right, title, and interest of the United States in and to the surface estate to the family. We would request, however, that the legislation be modified to allow the United States to reserve the mineral estate, as the lands are valuable for oil and gas. Such reservation would occur if title was transformed under the Color of Title Act. Additionally, the legislation should be modified to revoke the withdrawal as it relates to the lands in this bill.

The Committee's majority staff provided a copy of a substitute amendment that is intended for introduction at the markup. It appears upon review of this substitute that the Department's concerns have been addressed and suggestions for modification taken. We would therefore support the reporting out of this bill from your Committee.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the President's program.

Sincerely,

BOB ARMSTRONG,  
*Assistant Secretary for Land and  
Minerals Management.*

#### ADDITIONAL VIEWS OF SENATOR BUMPERS

S. 799 would direct the Secretary of the Interior to convey a quit-claim deed in order to correct a previous fraudulent conveyance of Federal land from one individual to another. While the Committee has on many occasions considered and favorably reported private relief legislation to correct a problem in the title to an individual's property, as far as I am aware, this is the first time we have reported such a bill where the United States will make whole the estate of an individual who was willfully defrauded by another, and where the Federal government had no role in causing the error in title.

Generally, the Congress has considered private relief bills when there has been an error in an earlier survey, or as is the case of S. 814, another bill considered by the Committee today, where there has been an error in recording the legal description to the property. I voted to report S. 799 only because Mr. Steffens was an unwilling victim of the fraudulent conveyance, and lived on the property in question for almost 60 years with no objection ever raised by the Bureau of Reclamation or the Bureau of Land Management. To not clear title at this date would be extremely unfair to Mr. Steffens' estate, and I agree that enactment of this bill is the appropriate means of resolving this issue.

However, I believe this is a very rare case where the United States is not at fault, but that conveyance of title is nonetheless the appropriate remedy. I would not support transfer of Federal lands in a less compelling instance.

DALE BUMPERS.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill S. 799, as ordered reported.

